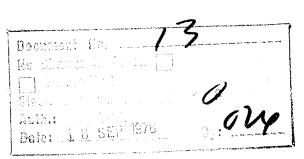
## Approved For Release 2000/08/29 : CIA-RDP78-05538A000100010006-4





2.4 MAP 1958

MEMORANDUM TO:

Chief, Contract Personnel Division

Office of Personnel

MOST

Deputy Comptroller

STATSPEC

STATSPEC

SUBJECT : Translation Services -

REFERENCE

Memorandum 3 March 1958 from Chief/CPD to

Comptroller; Attention: Chief/TAS

1. This is in reply to the reference memorandum in which you requested advice as to whether this Office has any objections or suggestions relative to the proposal to execute personal service contracts (independent contractor type) with individuals who presently are Agency staff or contract employees engaged in the translation program Foreign Documents Division, Office of Operations.

## STATSPEC

- 2. We have reviewed the matter and submit the following comments for consideration:
  - a. It would appear that the proposed arrangement would be questionable since it would seem that for regular full time employees who are performing duties of this character in their regular tour of duty any additional compensation to be paid to them for additional work should be in accordance with the applicable civil service rules and regulations. In the event, however, that arrangements are made to compensate employees for this type of work on an overtime basis, adequate controls should be developed and placed in effect to provide the Agency with assurance that the performance of the employees is commensurate with the cost to the Agency.



Approved For Release 2000/08/29: CIA-RDP78-05538A000100010006-4

b. Another aspect of the proposed arrangement which we feel should be given full consideration before such contracts are executed is its administrative advisability. The Comptroller Congral has frequently touched on this in decisions involving contracts between the Government and its employees and two such cases are quoted in part. as follows:

COMPT. GEN. 14-404

it has been repeatedly held that the United States should not, where the needs of the Government reasonably can be otherwise supplied. contract with its officers or employees for the reason that such contracts are against public policy and would afford grounds for complaint as to alleged favoritism, fraud, etc., in the conduct of the public business."

COMPT. GEN. 21-707

"Rowever, aside from any statutory prohibition, contracts between the Government and its employees are open to criticism for possible favoritism and preferential treatment; and this office often has expressed the view that such contracts should not be made except for the most cogent reasons."

3. In view of the foregoing it is the recommendation of this Office that personal service contracts not be executed with individuals who presently are Agency staff or contract employees.

25X1A9a

Distribution:

Orig. & 1 - Addressee
Signer's copy

1 - TAS Chrono

1 - TAS Reading

1 - TAS Subject

TAS: CGJ/nlr (17 March 1958)

25X1A9a

1 cy forwarded to -2-